



OFFICE OF  
INSURANCE COMMISSIONER

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BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF WASHINGTON

RECEIVED  
MAR 27 2002

INSURANCE COMMISSIONER  
COMPANY SUPERVISION

In the matter of )  
 ) No. D 2002- 40  
**AARP Andrus Foundation** )  
 ) STIPULATIONS, FINDINGS,  
Washington, DC )  
 ) CONSENT AND ORDER  
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The AARP Andrus Foundation is a charitable organization and has issued a charitable gift annuity in the State of Washington, and is therefore governed by Title 48 RCW.

This administrative action is based on allegations by the Commissioner's staff that the AARP Andrus Foundation violated RCW 48.05.030 and Chapter 48.38 RCW, by the activity described in the following numbered paragraphs. To resolve only the issues identified in the following numbered paragraphs, to eliminate the necessity for a hearing, and as a negotiated settlement of the Commissioner's allegations the AARP Andrus Foundation has voluntarily executed the Consent to Order contained herein and stipulates to the entry of the Order contained herein.

**STIPULATIONS**

1. RCW 48.05.030 provides that no person shall act as an insurer nor transact insurance in this state other than as authorized by a certificate of authority issued to it by the Commissioner.
2. RCW 48.11.020 defines life insurance as including the granting of annuities.
3. Chapter 48.38 RCW provides that certain charitable organizations upon complying with the provisions of the Chapter may, after receiving a certificate of exemption from the Commissioner, conduct a charitable gift annuity business and be exempted from most of the provisions of Title 48 RCW.

Stipulations, Findings, Consent and Order-1

4. In July of 2001 the AARP Andrus Foundation issued one annuity without having been properly licensed to do so.

### FINDINGS

1. The Commissioner finds that the AARP Andrus Foundation, by and through the conduct described above, has violated RCW 48.05.030 and Chapter 48.38 RCW.
2. The Commissioner further finds that RCW 48.38.050 authorizes the Commissioner to refuse to issue a Certificate of Exemption to the AARP Andrus Foundation, for failing to comply with the provisions of Chapter 48.38 RCW.
3. The Commissioner further finds that RCW 48.38.050 authorizes, that in lieu of the refusal to issue a Certificate of Exemption, the Commissioner may assess a fine of not more than \$10,000.

### CONSENT TO ORDER

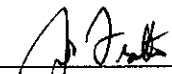
Based on the above and foregoing stipulations, the AARP Andrus Foundation consents to pay the sum of \$25 being the \$25 annual fee for the year it would have had to pay the fee if had been properly licensed, the sum of \$5 being the \$5 fee for each annuity that it issued if it had been properly licensed, and a fine in the amount One Hundred Dollars and 00/100 (\$100), for a total amount of \$130.

Based on the above and foregoing stipulations, the AARP Andrus Foundation voluntarily consents to the following order to resolve the issues and alleged conduct described herein and with the understanding that the payment of the amount levied against the AARP Andrus Foundation is a condition of the issuance of a Certificate of Exemption to the AARP Andrus Foundation for the conduct described herein.

Based on the above and foregoing stipulations, the AARP Andrus Foundation acknowledges its duty and obligation to fully comply with the applicable laws and regulations of the State of Washington.

Signed this 4<sup>th</sup> day of March 2002.

**AARP Andrus Foundation**

by:   
Title: Director

**ORDER**

IT IS ORDERED that pursuant to RCW 48.38.050 and the foregoing Stipulations, Findings, and Consent to Order, the AARP Andrus Foundation pay a total sum in the amount of One Hundred Thirty Dollars and 00/100 (\$130) for the activity described in the foregoing Stipulation.

IT IS FURTHER ORDERED that in the event that this sum is not paid within 30 days from the date of this order, the sum will be recoverable in a civil action brought on behalf of the Insurance Commissioner by the Attorney General, pursuant to RCW 48.05.185.

SIGNED AND ENTERED THIS 26 day of March 2002.

  
James T. Odiorne  
Deputy Insurance Commissioner